

1999 Litigation Tax Legislation

Litigation
tax
notice

Public Chapter 39, Acts of 1999, amended Tennessee Code Annotated, Title 22, Chapter 4, relative to the donation of reimbursement for jury duty service to the Tennessee Criminal Compensation Fund. Effective March 26, 1999, each prospective juror, reporting for jury service shall be provided a form letter, that when signed by the prospective juror, directs the county treasurer to donate all of the juror's reimbursement for jury service to the criminal injuries compensation fund provided for in Tennessee Code Annotated, Title 20, Chapter 13. The Department of Revenue will collect all donations made payable to the State Treasury Department. We request that you report the amount of the donation on **line 14** (Adjustments, partial pays and old cases) of the Litigation Tax Return (REV 401). This tax will be reported on your July Litigation Tax Return.

Public Chapter 502 amended Tennessee Code Annotated, Title 55, Chapters 9 and 10 and Title 67 relative to the civil legal representation of indigents fund. This bill imposes an additional privilege tax on litigation of \$1 in all criminal cases instituted in any state, county, or municipal court for any violation of Title 55, Chapter 8, **or** for violation of any ordinance governing use of a metered parking space. If a case is instituted in a city court under Title

55, Chapter 8, there is also an additional \$1 per case, for a total of \$14.75, and the county would be \$28.50, plus \$1 for Fingerprinting and \$1 for the new moving violation tax, for a total of \$30.50 per case. Also Tenn. Code Ann. Section 67-4-604(b)(3) that exempted any violation of metered parking space from Litigation Tax has been deleted. The total tax, if found guilty, for a metered parking space violation will be \$13.75, plus \$1 for the new metered parking space violation for a total of \$14.75.

The department is in the process of designing a new return that will include these changes. Until the Litigation Tax return has been revised and the system updated, the department asks that city courts put the new tax on **line 4** of the current form and county courts put it on **line 9** of the current form. This tax will be reported on your July Litigation Tax Return (REV 401).

Have questions or comments? Please let us know. Tennessee residents outside the Nashville calling area may call our statewide toll-free number at (800) 342-1003. Callers from Nashville or out of state may dial (615) 253-0600.

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